REMARKS/ARGUMENTS

By this amendment, Claims 21 and 30 are amended and no claims are added or canceled. Claims 21-28, 30-37 are pending in the application.

I. SUMMARY OF THE INTERVIEW

The Examiner is thanked for the in-person interview held on March 24, 2009. In the interview, representatives for the Applicants discussed the amendments to Claims 21 and the differences between amended Claim 21 and the cited art. No agreement was reached.

II. SOLE REJECTION

Claims 21-28 and 30-37 stand rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over U.S. Patent Publication No. 2002/0128904 to Carruthers et al. ("*Carruthers*"). This rejection is respectfully traversed.

A. CLAIM 21

Claim 21 recites:

> A method for determining which advertisements to include with electronic content delivered to users over a network, the method comprising the steps of:
> **after accepting a first contract with a first advertiser, accepting a second contract with a second advertiser;**
> **wherein the delivery obligations associated with the second contract are such that fulfillment of the second contract would adversely affect a level of service the first advertiser would otherwise receive under the first contract;**
> storing data that indicates delivery criteria and delivery obligations for each of a plurality of contracts, wherein each contract is associated with an advertiser of a plurality of advertisers,
> wherein the plurality of contracts includes the first contract and the second contract;
> wherein the plurality of advertisers includes the first advertiser and the second advertiser;
> wherein each contract of the plurality of contracts is associated with a separate advertisement of a plurality of advertisements;

after the plurality of contracts have been formed, receiving, from a user, a
request to provide over said network a piece of electronic content that
includes a slot for an advertisement;

wherein the piece of electronic content has a subject;

wherein the subject of the piece of electronic content is an attribute of the slot
that is included in the piece of electronic content;

in response to receiving the request:

reading said data to determine delivery criteria associated with the
plurality of contracts;

**comparing slot attributes of said slot in the requested electronic
content with delivery criteria of said plurality of contracts to
determine a subset of said plurality of advertisements which
qualify for inclusion in said slot, wherein the subject of the
piece of electronic content is one of the slot attributes
compared with the delivery criteria,**

wherein both a first advertisement associated with the first contract and a
second advertisement associated with the second contract qualify
for inclusion in said slot,

wherein the second contract is associated with a behindness value that is
currently greater than a behindness value associated with the first
contract,

wherein the behindness value of each contract reflects how far behind a
content provider is on satisfying the delivery obligations
associated with each contract; and

**from said subset of advertisements, selecting said first advertisement
to include in the slot based, at least in part, on the first
contract having been formed before the second contract;**

**inserting said first advertisement into the slot to create a modified
piece of electronic content;**

**delivering, as a response to the request, the modified piece of
electronic content to the user;**

wherein the steps of receiving, reading, comparing, selecting, inserting, and
delivering are performed on one or more computing devices. (emphasis
added)

At least the above-bolded elements of Claim 1 are not disclosed, taught, or suggested by

Carruthers.

As a preliminary matter, it should be noted that both *Carruthers* and the invention

recited in Claim 1 solve the problem with the most-behind-first approach. The problem is

described in paragraph 16 of the present application:

[0016] Unfortunately, the most-behind-first approach has some significant
disadvantages that may lead to perceived or actual unfairness. For

example, an advertiser may be interested in advertising in slots that are already subject to several pre-existing obligations. If the advertiser becomes aware of the pre-existing obligations, **the advertiser may contract for a much higher delivery obligation than the advertiser actually desires. The consequence of such a contract could be to significantly reduce the number of slots assigned to the previously contracted advertisers, while potentially given the latecomer advertiser exactly the number of slots the advertiser actually desires.** (emphasis added)

This problem is referred to herein as the "late-comer" problem. Although not identified as a problem, *Carruthers'* system solves the late-comer problem. However, the way *Carruthers* solves the late-comer problem is <u>fundamentally different</u> than how the technique recited in Claim 1 solves the problem. Specifically, *Carruthers* avoids this problem of allowing late-comers to squeeze out prior orders by (a) predicting whether each later order can be filled without affecting prior orders, and (b) rejecting later orders that cannot be filled without affecting prior orders. (In addition to rejecting the orders, *Carruthers* also suggests, to late-comers, changes that can be made to their rejected orders that will make their orders acceptable.) Thus, *Carruthers'* approach can be accurately called a pre-acceptance filtering approach.

As explained in the interview, the pre-acceptance filtering approach works great in situations where it is possible to estimate, with a reasonable degree of accuracy, which people will be sending requests to a server, and how frequently each of them will be sending requests to a server. Since *Carruthers'* approach works well in the context anticipated by *Carruthers,* there would be no reason to combine *Carruthers* pre-acceptance filtering approach with an entirely different approach (e.g., the approach described in Claim 1). In other words, <u>because</u> <u>*Carruthers* has already provided a solution to the late-comer problem, it would not make sense</u> <u>to say that one would be motivated to modify *Carruthers* to also provide a completely different</u> <u>solution to the same problem.</u>

As shall be pointed out hereafter, there are several express limitations in Claim 1 that are not satisfied by *Carruthers*. Many of the limitations missing from *Carruthers* directly relate to the solution (provided by the method of Claim 1) that is fundamentally different from *Carruthers'* solution to the late-comer problem. Because there would be no reason to modify *Carruthers* to provide a different solution to the late-comer problem already solved by *Carruthers*, *Carruthers* cannot be said to even suggest a modified system that includes these unsatisfied limitations.

> 1.   Carruthers *fails to teach or suggest the comparing step of Claim 21*

Claim 21 explicitly requires:

> **comparing slot attributes of said slot in the requested electronic content with delivery criteria of said plurality of contracts to determine a subset of said plurality of advertisements which qualify for inclusion in said slot, wherein the subject of the piece of electronic content is one of the slot attributes compared with the delivery criteria,**

In contrast, *Carruthers'* system matches (a) the profile of a <u>user</u> that logs in to (b) the profiles of advertisements in *Carruthers'* master list of advertisements (see paragraph 38). This user-specific filtering of the master list occurs when a user logs onto the system. Thus, at the time of log on, the sequence of advertisements that the user will see is determined. That sequence stays in effect regardless of the subject of the content the user requests.

As pointed out by the Examiner in the interview, it is possible for a user's profile to be updated during a session to reflect the subject of the content that the user is requesting. However, even if such on-the-fly profile modification were to happen, the sequence of the advertisements in the user's current session would not change. Instead, the next time the user logs on, a new user-specific list of advertisements would be constructed based on the revised profile. Thus, while the advertisements *Carruthers* sees may reflect the subject of what a user

requested **in previous sessions**, it never reflects the subject matter of what the user is currently requesting, much less the subject matter of **the document into which the advertisement is actually inserted**.

> 2. Carruthers *fails to teach or suggest that the inserting and delivering steps of Claim 21*

Claim 21 recites that the first advertisement is inserted into the slot to create a modified piece of electronic content. Because the electronic content in *Carruthers'* system does <u>not</u> include slots, it naturally follows that *Carruthers'* system does <u>not</u> (a) create modified pieces of electronic content by inserting ads into those slots and (b) deliver the modified pieces of electronic content to the user.

> 3. Carruthers *fails to teach or suggest that electronic content includes a slot for an advertisement*

Claim 1 recites "after the plurality of contracts have been formed, receiving a request to provide over said network a piece of <u>electronic content that includes a slot for an advertisement</u>." *Carruthers* fails to teach or suggest that electronic content includes a slot for an advertisement. On page 3, the Final Office Action equates the recited "slot" with *Carruthers'* "surplus screen real estate." This is clearly incorrect. Surplus screen real estate is related to a user's (or subscriber's) viewing space, not to the electronic content that the user is requesting.

> 4. Carruthers *fails to teach or suggest that slot attributes include an attribute that corresponds to the subject of the electronic content*

Claim 1 further recites "wherein the slot attributes include at least one attribute that corresponds to the subject of the electronic content." *Carruthers* fails to teach or suggest this feature of Claim 1. According to *Carruthers*, an advertisement is determined eligible for a particular user by matching the profile of the particular user with the profiles of advertisements

in a prioritized list generated by an inventory manager 51. As made clear above, *Carruthers* fails to even suggest that electronic content has slots into which advertisements are included. Further, as discussed in the in-person interview, even though the profile of a user in *Carruthers* may eventually be updated to include the fact that the user visited certain web pages, the list of advertisements for the user is generated once when the user logs in to the system. Even if the user's profile is updated immediately upon visiting a website, the list of advertisements is still based on the user's profile as it existed when the user logged in.

> 5.   Carruthers *fails to teach or suggest accepting the second contract after accepting the first contract*

Claim 1 recites that a second contract is accepted after accepting the first contract even though "the delivery obligations associated with the second contract are such that fulfillment of the second contract would adversely affect a level of service the first advertiser would otherwise receive under the first contract." In contrast, *Carruthers'* system determines, <u>before</u> accepting an ad campaign (i.e., the alleged contract), whether an adequate supply is expected for the proposed ad campaign. If the supply is not large enough, then Capacity Forecaster 52 assists the advertiser in modifying the campaign's requirements or constraints to increase the likelihood of the campaign's success (see paragraphs 28 and 30). Thus, by ensuring that the campaign's goals can be met before accepting the campaign (see paragraph 29), the goals of each previously-accepted ad campaign can still be met.

The Examiner pointed out that, if combined with a first-come-first-served modification, *Carruthers'* estimator could be modified in a way as to not reject contracts that adversely affect previous contracts. While such a modification is theoretically possible, it runs contrary to the entire purpose of *Carruthers'* estimator. The purpose of the estimator is, specifically, to reject contracts whose fulfillment would impede fulfillment of prior contracts.

6. Carruthers *fails to teach or suggest that a first ad is selected over a second ad despite the fact that the contract associated with the second ad has a greater behindness value than the contract associated with the first ad*

According to Claim 1, a first advertisement is selected based on the fact that a first contract (associated with the first advertisement) was formed before a second contract, <u>despite the fact that the second contract has a behindness value that is greater than the first contract</u>. *Carruthers* fails to teach or suggest this feature of Claim 1. Instead, *Carruthers* teaches a system where, once contracts are formed, the order in which advertisements are displayed is based **only** on whether the daily goals (or objectives) of each campaign are reached (see paragraphs 32, 34, and 35).

Because *Carruthers'* system <u>already performs pre-acceptance filtering to solve the late-comer problem</u>, *Carruthers'* system can safely use a behindness measure to select among ads, when some ads fall behind. There would be no reason for *Carruthers* to penalize later contracts, because *Carruthers* <u>has already made sure that those later contracts will not adversely affect any pre-existing contracts</u>.

7. Carruthers *fails to teach or suggest that the time of contract formation, relative to other contract formations, is taken into account when determining which advertisement to place in a slot*

Claim 1 recites "from said subset of advertisements, selecting said first advertisement to include in the slot based, at least in part, on the first contract having been formed before the second contract." Therefore, the selection of the first advertisement over the second advertisement is made <u>after</u> the respective contracts have been formed. Also, the selection is made based on the fact that the first contract was formed before the second contract. In contrast, *Carruthers* fails to teach or suggest that the time of when a contract was formed, relative to another contract, is taken into account <u>when determining which advertisement to</u>

select to place in a slot. Once *Carruthers* has formed two contracts, when the contracts were formed is irrelevant to the ad selection process. Indeed, there is no need for *Carruthers* to base its advertisement selection on when a contract was formed, because *Carrutthers'* Capacity Forecaster 52 has already determined that the agreed upon objectives of each accepted ad campaign are achievable.

Based on the foregoing, *Carruthers* fails to teach or suggest, or render obvious, numerous features of Claim 21. Therefore, Claim 21 is patentable over *Carruthers*. Reconsideration and withdrawal of the rejection of Claim 21 under 35 U.S.C. § 103(a) is therefore respectfully submitted.

B. CLAIM 30

Claim 30 is an independent claim that recites elements similar to those discussed above with respect to Claim 21, except that Claim 30 is recited in computer-readable storage medium format. Consequently, for at least the reasons given above with respect to Claim 21, it is respectfully submitted that Claim 30 is also patentable over *Carruthers*, and is in condition for allowance.

C. CLAIMS 22-28, 31-37, 39, AND 40

Claims 22-28, 31-37, 39, and 40 are dependent claims, each of which depends (directly or indirectly) on one of the claims discussed above. Each of Claims 22-28, 31-37, 39, and 40 is therefore patentable over *Carruthers* for at least the reasons given above for the claim on which it depends. In addition, each of Claims 22-28, 31-37, 39, and 40 introduces one or more additional limitations that may render it patentable over *Carruthers*. However, due to the fundamental differences already identified and to expedite the positive resolution of this case, a separate discussion of all those limitations is not included at this time. The Applicants,

however, reserve the right to further point out the differences between the cited art and the novel features recited in the dependent claims.

III. CONCLUSION

For the reasons set forth above, it is respectfully submitted that all of the pending claims are now in condition for allowance. Therefore, the issuance of a formal Notice of Allowance is believed next in order, and that action is most earnestly solicited.

The Examiner is respectfully requested to contact the undersigned by telephone if it is believed that such contact would further the examination of the present application.

Please charge any shortages or credit any overages to Deposit Account No. 50-1302.

Respectfully submitted,

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